

Epilogue

The story of the UN-supported Principles for Responsible Management Education (PRME)

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At the end of this journey through the book, especially in light of the questions posed by the “still, small voice” in Chapter 10, I trust you will now be able—as was I when I was reading the first edition of this book—to stop people and begin a good conversation whenever you hear someone define pragmatism as “whatever works.”

Some may think that business has been a little *too* pragmatic, a little *too* focused on results, a little *too* adept at the business function, and as a result, has failed to consider the broader social, economic and environmental challenges of the 21st century. But as you now know, this is precisely the point: Pragmatic Inquiry offers a method for corporate inquiry, discovery, interpretation, and, most importantly, responsible action to help organizations reclaim the trust and integrity of everyone among their stakeholders—especially employees and those they serve, that is customers or clients, etc. It is this vision of pragmatism reclaimed that can foster the process of dialogue ... as well as to help create learning organizations built on dialogue between people. For the reflective business practitioner, reclaimed pragmatism offers a way to better understand the realities in which we live, a way to think critically about our own patterns of thought and belief, a way to improve how we think, a way to think more creatively, and a way for businesspeople to think together to make the best use of all perspectives and talents.

It is about putting values to work in addressing the major problems we face in the world and none is bigger than the environmental and social crises we face. The premise also is that every organization, whether commercial, civic, or government,

needs to design strategies to address society's needs within the context of a thriving physical and social and economic environment, especially as rapid urbanization spreads throughout the world.

Given the vast scope of the challenges facing us, what better platform to begin thinking through these issues than the United Nations, which has been working in this area for decades. More recently, the UN created the UN Global Compact (in 2000) and Principles for Responsible Management Education (PRME—in 2007) to engage the business and the management-related academic sector respectively on these issues (see Georg Kell's comments in his 2013 Foreword). It is a remarkable story of development leading to a leverage point of management education, which many have concluded is the battleground where the issue must be fundamentally addressed: “theory of the firm” or why this is organization permitted to exist (as Robert Bellah states in his 1997 Foreword). Once we take that question seriously we realize that profit, indispensable though it is, cannot be the only answer, for every commercial, civic and government organization is involved with the whole of society; it meets basic social needs and it has basic social obligations. A healthy economy is only possible if it is part of a healthy society. And that is the simple, but profound logic behind the history of how the UN came to focus on management education.

Background: the role of government

On the global scale, governments have been wrestling with policies and practices that foster peace and economic justice going back to the League of Nations after World War I, if not well before. The idea of an international society or world federation goes back at least to Immanuel Kant's *Perpetual Peace: a Philosophical Sketch*.¹⁸⁰ The Declaration of Human Rights, created shortly after the founding of the United Nations in 1945 and passed by the General Assembly in 1948, was a major breakthrough in shared global governance. After decades of work, the UN Global Compact was launched in 2000, building from the work of many within the peace and human rights movement who recognized the invaluable contributions of corporations and nongovernmental organizations in the pursuit of peace and justice. The UN Global Compact quickly became the world's largest voluntary corporate citizenship initiative, bringing together labor, civil society, and governments with business organizations to advance the ten universal principles in the area of human rights, labor, environment, and anticorruption.

After the creation of the UN Global Compact, an obvious question followed: what is the role of management education in preparing managers to take a leadership role in these broader efforts for sustainable development? Responses to this question led to the establishment of the UN PRME initiative in 2007. The 2012 UN Rio+20 Summit marked 20 years since the first Earth Summit in 1992, and decades of development bringing together many different sectors of society. Held in Rio from June 12 to 22, three conferences all focused on the themes of sustainable

development in “The Future We Want.” The first of the three conferences, the PRME Global Forum, brought together 300 attendees from leading business schools around the world. It was followed by the UN Global Compact Corporate Sustainable Development Forum—“Innovation and Collaboration for the Future We Want”—with 3,000 corporate and nonprofit leaders attending. The summit concluded with the UN Conference on Sustainable Development with 30,000 attendees. In many ways, it represented a growing convergence among many sectors of society to focus on sustainable development as a common concern.

The first UN Rio Earth Summit in 1992 was followed by some significant disappointment; many concluded that it is virtually impossible for nearly 200 countries to come to any substantial agreement that has “teeth” when it comes to the daunting sustainability challenges of the 21st century. At the time of the 1992 Rio Earth Summit business leaders and business schools were hardly represented. Today, however, many CEOs see the potential for business schools to take real leadership in sustainable development.¹⁸¹

And that brings us to Rio+20 and the PRME 3rd Global Forum, using Pragmatic Inquiry methodology.

UN PRME 3rd Global Forum: The future we want

The challenge

The 3rd Global Forum for Responsible Management Education was entitled “The Future We Want,” in keeping with the overall UN Rio+20 Conference theme of Sustainable Development—“The Future We Want.” Held on June 14–15, 2012, it was the official platform for management-related higher education institutions at Rio+20 to discuss and decide how to accelerate action for a **healthier, more equitable and prosperous world for all**. It was clear that in order to succeed, critical action is required by all major actors in business, government, and society to build the foundation for a sustainable global economy, society, and biosphere. Business schools, management-related academic institutions, and universities have a unique role to train current and future generations to lead this process. However, as a global sector, management education must still make considerable change to be at the forefront of innovation and progress for sustainable development.

Guiding question(s)

Organized by the PRME Secretariat of the UN Global Compact Office, with the active support of PRME participant institutions, the PRME Steering Committee and strategic partners, the 3rd Global Forum provided a space to discuss and mobilize action around two fundamental questions:

1. What is the role of management and leadership education in society for the future we want?
2. How can the PRME initiative facilitate individual and systemic change within higher education as the community mobilizes action toward achieving the Rio+20 vision on sustainable development?

The process

Methodology

As in previous years, our goal was to maximize the interaction of participants at the Global Forum and to build an action-oriented program. The overall design of the two-day Forum followed the format of Sustainable Strategy Inquiry, which is based on Pragmatic Inquiry (see pragmaticinquiry.org). This approach required the active engagement of all participants and their openness to hands-on learning.

In preparation for the Global Forum, we asked participants to read the Participant Guide (See Appendix I) and think about preliminary responses to the questions that were going to be posed during the Forum itself—and specifically about the strategy challenges, barriers, and issues they face—and then write their preliminary answers. As a way of maximizing the value of the Forum, we asked them to be prepared to work with these strategy issues both within their own organizations (their business schools or department of management as appropriate), and as an initiative for PRME.

The five Pragmatic Inquiry Strategy questions to be answered beforehand:

- Question 1: **Purpose/need.** What is the role of management and leadership education in society in achieving/attaining the future we want?
- Question 2: **Barriers.** What major issues and challenges do you see in fulfilling that role?
- Question 3: **Decisions.** What are the plans, ideas, and strategies to meet these challenges and opportunities for successful collective action to implement responsible management education?
- Question 4: **Support.** What is the role of PRME in achieving responsible management education for the future we want? What assets, leverage points, partnerships, and capabilities can be tapped?
- Question 5: **Action.** What are specific implementation/tactical steps?

With their preliminary answers as *assumptions* in hand, the goal was to have each participant challenge their assumptions and, at the conclusion of the Forum, to develop new strategies, based on what they had learned.

The results

While the official government outcomes of Rio+20 fell short of the expectations in light of the environmental and social challenges we face, many other stakeholder

groups committed to far-reaching actions in support of the objectives of Rio+20, including higher education institutions (HEIs). At the close of the 3rd Global Forum, a series of measures to inject sustainability principles into management and business school curricula were announced through the *Rio Declaration on the Contribution of Higher Education Institutions and Management Schools to The Future We Want: A Roadmap for Management Education to 2020*, through which 300 leading business school and university representatives worldwide agreed on a number of concrete commitments to action, including to:

- Launch PRME Regional Chapters to better engage management education communities on a local level
- Form a leadership group to incentivize the most engaged PRME signatory schools to go further in their implementation of sustainability principles.
- Delist those signatories that fail to regularly share information on progress made in implementing PRME as an accountability mechanism

The Sustainable Strategy Inquiry method helped to structure the preparation as well as the deliberations at the Global Forum for an inclusive approach. The result was an outcomes declaration that was endorsed unanimously. Many participants lauded the inclusive nature of the approach as well as the arc of an inquiry that helped to incorporate the input by the widest group of stakeholders.

Appendix I shows the 3rd Global Forum Participant's Guide, marking the beginning of PRME using Pragmatic Inquiry. Appendix II compares two important management models developed by the UN Global Compact, with the Pragmatic Inquiry *PathFinder* Field Notebook in an effort to show how this work all comes together to develop, implement, and integrate strategies with the UN Global Compact Principles to help foster sustainable development.

Appendix I

UN PRME 3rd Global Forum Participant's Guide

3RD GLOBAL FORUM FOR RESPONSIBLE MANAGEMENT EDUCATION: The Future We Want

PARTICIPANT GUIDE

Setting the Context: Developing the 3rd PRME Global Forum

The 3rd PRME Global Forum on 14-15 June 2012 will be the official platform for management-related Higher Education Institutions (HEIs) at **Rio+20** – the United Nations Conference on Sustainable Development – and the **UN Global Compact Corporate Sustainability Forum**.

Marking the 20th anniversary of the 1992 United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro, the Rio+20 Summit will bring the world together in Rio de Janeiro, Brazil, to discuss and decide how to accelerate action for a *healthier, more equitable and prosperous world for all*. **The Forum and Summit provide us with an opportunity to plan for the future we want.**

As Rio+20 will highlight, critical action is required from all major actors in business, government, and society to build the foundation for a sustainable *global economy, society, and biosphere*. Business schools, management-related academic institutions, and universities have a unique role to train current and future generations to lead this process. However, as a global sector, management education must make considerable change to be at the forefront of innovation and progress for sustainable development.

This guide is intended to facilitate your participation in the Global Forum. We ask that you carefully read and reflect on the first 6 pages of the document; an

Appendix is also included that provides further information on the background discussions that led to the creation of this guide. View the Agenda online.

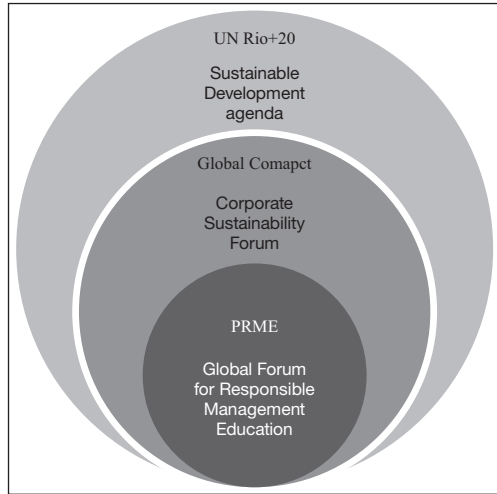


Figure 1: 3rd PRME Global Forum in the context of Rio+20

Global Forum Outline

Guiding Question(s)

Organized by the Principles for Responsible Management Education (PRME) Secretariat of the UN Global Compact Office, with the active support of PRME participant institutions, the PRME Steering Committee and strategic partners, the 3rd Global Forum (GF) will provide a space to discuss and mobilize action around two fundamental questions:

- 1. What is the role of management and leadership education in society for the future we want?**
- 2. How can the PRME initiative facilitate individual and systemic change within higher education as the community mobilizes action toward achieving the Rio+20 vision on sustainable development?**

Goals of the Global Forum

As the main meeting for the PRME community taking place every two years, the 3rd Global Forum for Responsible Management Education aims at taking stock of the PRME initiative, ensuring that the voice of signatories is heard as genuine owners of the initiative, generating traction and outreach, and providing overall direction to the initiative. The main goals of the 3rd Global Forum are to generate:

1. An agreed concrete plan of action on how to move forward for:
 - Individual schools to start and/or lead initiatives within their own organizations;
 - Groups of schools and their stakeholders to collaborate together on projects; and
 - PRME as an initiative to further enhance its value as a learning and action network.
2. A statement (1) highlighting the contributions and commitments of the management education sector for actions for sustainable development over the next decade, and (2) outlining support required from governments and industry to enable this action. The GF Outcomes Document will be presented to the Corporate Sustainability Forum (CSF), Rio+20, the Education for Sustainable Development agenda, and governments.

Methodology

As in previous years, our goal is to maximize the interaction of participants at the Global Forum and to build an action-oriented program. The overall design of the two-day GF agenda follows the format of “Sustainable Strategy Inquiry,” which is based on “Pragmatic Inquiry” (see pragmaticinquiry.org). This approach requires the active engagement of all participants and their openness to hands-on learning.

In preparation for the Global Forum, we ask that you read this Participant Guide and think about preliminary responses to the questions that will be posed during the Forum itself – and specifically about the strategy challenges, barriers and issues you face; and your preliminary answers. As a way of maximizing the value of the Forum, be prepared to work with these strategy issues within your own organization (your business schools or department of management as appropriate), and for PRME as an initiative.

The Forum will be divided into **three 60-minute plenary sessions featuring expert panel discussions** conducted in “Question & Answer style. Each session will be followed by a **60-minute facilitated table discussion, with focused feedback to the plenary to ensure knowledge sharing among participants. Feedback is sought on concrete action plans** which you would like to initiate or continue at your school, within a partnership of schools and/or other partners, as well as for PRME as an initiative. A summary of the proposed action plans will be presented at the closing session (CSF session ID = SE8). There will be 30 tables with ten participants each and a table Discussion Leader. Participants will be randomly assigned to a table for Session I (SE2), with the opportunity to select focused table discussions in Sessions II (SE4) and III (SE6).

At the conclusions of the Forum, there will be time to compare and reflect on your beginning thoughts with what you have learned in the Forum – leading to new strategies and action plans for us all.

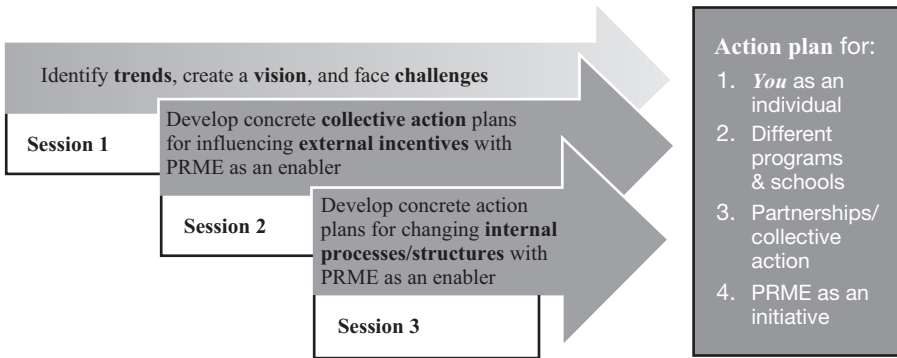


Figure 2: The Flow of Three Sessions

We appreciate your willingness to engage actively in the 3rd Global Forum and to work with colleagues of the PRME community to create the future we want!

SESSION I: BUSINESS CAPABILITIES FOR ACHIEVING SUSTAINABLE DEVELOPMENT (SE2)

Session description: To set the stage, this session will examine current trends and potential pathways to achieve sustainable development. Global leaders will help identify top priorities for the next twenty years and make the case for urgent change and collaboration necessary to achieve the future we want. HEIs have a unique role to spearhead this process by providing thought leadership and training responsible leaders for the future we want.

The main question of Session 1: How should sustainable development affect the management education sector?

- **Question 1:** What is the role of management and leadership education in society in achieving/attaining the future we want?
- **Question 2:** Given the envisioned (future) role of management education, what major issues and challenges do you see in implementing the answers/responses to Question 1?

<p>1. <u>Role of management/leadership education</u></p>	<p>2. <u>Major issues & challenges</u></p>
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SESSION II: SETTING THE INCENTIVES FOR RESPONSIBLE MANAGEMENT EDUCATION (SE4)

Session description: Following the previous afternoon’s discussion, and building on the insights from previous PRME meetings, Session II revolves around the external factors that encourage change within the global business/management school system and the challenges of managing those change processes. This session will look at some of the key drivers, including: accreditation and rankings; student demand; political /legislative change affecting curricula, and funding at the national level.

Building on the concrete outcomes from Session I, participants will have the opportunity to select a focused table discussion on a specific external incentive, with the goal of identifying ideas for collective action, needed resources and support, and specific action steps that could enable this external incentive to become a driver for responsible management education.

The main questions of Session 2: What are the external incentives (e.g., accreditation, rankings of business schools), and how can they further support the values of sustainable development and responsible management education?

- **Question 1:** What are the possible collective actions to influence and to (further) align this external incentive (see explanation above) to implement responsible management education?
- **Question 2:** What assets, leverage points, and capabilities of PRME and other partnerships and actors (e.g. governments, companies, others) can be tapped?
- **Question 3:** What specific action steps should be taken to implement these solutions?

1. <u>Your ideas for collective actions</u>
2. <u>Capabilities, assets & leverage points of PRME & other partners</u>
3. <u>Specific action steps</u>

SESSION III: INNOVATION IN PRACTICE: INTEGRATING (CORPORATE) SUSTAINABILITY INTO EDUCATION, RESEARCH, BUSINESS MODEL AND CAMPUS LIFE (SE6)

Session description: *Once an HEI starts to integrate the values of the UN Global Compact and PRME, challenges and opportunities arise around how to adapt its core business model, teaching methods, research, and campus practices. This session will highlight inspirational examples as well as resources and tools for successful implementation of the Principles.*

Building on the outcomes from Session 1 & 2, participants will have the opportunity to select a focused table discussion on a specific dimension of individual school activity (e.g., faculty development, curriculum, research, pedagogy), with the goal of identifying ideas for individual school action, needed resources and support, and specific action steps that could enable this internal incentive to become a driver for responsible management education.

The main questions of Session 3: What are the challenges, opportunities, and successes by individual schools to (further) implement responsible management education? How can PRME help in this process?

- **Question 1:** What are the solutions/activities that individual schools have used (or can use) to implement responsible management education?
- **Question 2:** What assets, leverage points, and capabilities of PRME and other partnerships and actors (e.g. governments, companies, others) can be tapped?
- **Question 3:** What action plans are you prepared to take as an individual, in your organization, and what could PRME do to support your initiative?

1. <u>Your ideas for & experience with individual schools</u>
2. <u>Capabilities, assets & leverage points of PRME and other partners</u>
3. <u>Specific action steps</u>